

Department of Social and Health Services

DP Code/Title: PL-KB OB-2 Rehabilitation
Program Level - 010 Children's Administration

Budget Period: 2007-09 Version: A1 010 - 2007-09 Agency Request Budget

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,257,000 (biennially) and 1.5 FTEs beginning July 1, 2007 for moving expenses associated with the upcoming rehabilitation of Office Building -2 (OB-2) DSHS Headquarters as well as OB-2 infrastructure costs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	35,000	35,000	70,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	12,000	12,000	24,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	4,000	4,000	8,000
Total Cost	51,000	51,000	102,000

Staffing

Package Description:

DSHS requests \$2,257,000 and 1.5 FTEs for the 2007-09 Biennium for the costs associated with rehabilitating OB-2.

Headquarters operations are housed in Office Building 2 on East Capital Campus, to include several DSHS administrative functions as well as DSHS Executive Management.

The Department of General Administration (GA) has a rehabilitation plan for OB-2 that includes the seismic retrofit of the facility. This renovation is required to improve the structural integrity and energy efficiency of the building. For this renovation to occur, DSHS will have to vacate one quarter of the facility in phases over approximately 18 months. This request includes moving expenses associated with this renovation. Approximately 20,000 square feet of temporary space will have to be leased for DSHS to vacate the necessary space for construction. DSHS will require 1.5 temporary FTEs to support these activities. These FTEs will complete DSHS facility programming, move planning, staff communication, and move coordination in collaboration with GA FTEs.

This project will have six major phases.

Strategic Planning/ Project Pre-planning: February 2006 - August 2007

Space Planning/Design Development/Lease Development (Temp Space): January 2007 - July 2008

Construction Documentation, Bid, and Negotiation: January - October 2008

Empty one-fourth of OB-2 for Construction: October - December 2008

Construction: November 2008 - October 2009

Fill Vacated space in OB-2: November-December 2009

Narrative Justification and Impact Statement

How contributes to strategic plan:

This project contributes to the Agency goal to "value and develop employees" and the objective to "provide the infrastructure, information, and systems to help employees do their jobs". This project will provide approximately 900 DSHS staff with the facilities infrastructure to do their job in a safe working environment.

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Performance Measure Detail

Agency Level

Activity: **A009 Child Protective Services (CPS)**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: **A012 Child Welfare Services (CWS)**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: **A033 Family Reconciliation Services (FRS)**

No measures linked to package

Reason for change:

This project will support GA's efforts to improve the safety of OB-2 for building tenants during an earthquake. Specifically, it will improve the building structure to increase life safety levels in the event of an earthquake, other natural disaster, or man-made disaster. In addition, this renovation is expected to improve energy efficiency with the replacement of windows and improvements to the buildings HVAC systems. This project is the final phase of General Administrations multi-phased building rehabilitation. It is important to staff safety to complete this project at this time.

In conjunction with the rehabilitation, the DSHS Communication Room will be consolidated in the DIS LAN room located on the Service Level of OB-2. This will allow for better infrastructure support for some of most critical IT equipment for DSHS.

Impact on clients and services:

This project is not expected to be disruptive to DSHS client services. There will be some minimal disruption to business operations for building tenants while the phased relocations occur.

Impact on other state programs:

GA will be impacted by this project. GA is responsible for building operations and construction management of this project.

Relationship to capital budget:

GA is submitting a capital budget request to complete the design and construction of this project. GA's request is OB-2 Rehabilitation, number 1998-1-007. It is estimated to cost \$12.4 million and will be funded by a Certificate of Participation (COP).

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

DSHS considered vacating the building all at once.

Cons:

This model would have increased the costs of temporary relocation to nearly \$13,000,000.

This model would have required DSHS to lease approximately 260,000 square feet of temporary space in Thurston County.

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Pros:

This would have been less disruptive to staff and services provided in OB-2.
This would have allowed construction to occur faster and would have reduced construction costs.

The alternative selected is the best alternative because it will reduce the costs of this project by over half. In addition, this will significantly reduce the amount of temporary leased space to approximately 8% of the other alternative.

This project has not been assessed against best practices. It is being developed and implemented using recently improved procedures for the construction of DSHS leased space.

Budget impacts in future biennia:

This project is expected to span two biennia. The cost for the 09-11 biennium is estimated to be \$2,317,000.

Beyond the 2009-11 biennium, DSHS will continue to incur approximately \$200,000 annually for the continued maintenance of the LAN room, which is payable to DIS.

In addition, because the Capital Project will be funded through a COP, GA will be increasing the DSHS reimbursable fees to pay for the construction. This will create a fiscal impact to the GA revolving fund in program 145 (Payments to Other Agencies). Estimated costs are not available at this time from GA. GA is creating a pro forma to document these increased costs.

Distinction between one-time and ongoing costs:

This request is predominantly all one-time costs, except for the cost of the increased charges to DIS for the maintenance of the LAN room. These costs are to pay for the infrastructure DSHS will be using in this room on an ongoing basis.

Effects of non-funding:

If funding is not provided, this project will not occur.

Expenditure Calculations and Assumptions:

See attachment 'AW PL-KB OB-2 Rehabilitation.xls'.

Project costs are based on recent DSHS moves and vendor estimates.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	51,000	51,000	102,000

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DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	35,000	35,000	70,000
<i>Total for Fund 001-1</i>		35,000	35,000	70,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
658A	Title IV-E Foster Care (FMAP)	12,000	12,000	24,000
<i>Total for Fund 001-A</i>		12,000	12,000	24,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	4,000	4,000	8,000
<i>Total for Fund 001-C</i>		4,000	4,000	8,000
Total Overall Funding		51,000	51,000	102,000

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Worksheet: Costs by Program

OB-2 Rehabilitation Summary

	FTE	A	B	E	J	TZ	TOTAL
FY08							
010 Children and Family Services						51,000	51,000
020 Juvenile Rehabilitation						10,000	10,000
030 Mental Health						10,000	10,000
040 Developmental Disabilities						9,000	9,000
050 Aging and Adult Services						11,000	11,000
060 Economic Services						112,000	112,000
070 Alcohol and Substance Abuse						-	-
080 Medical Assistance						2,000	2,000
100 Vocational Rehabilitation						3,000	3,000
100-1 Deaf & Hard of Hearing						1,000	1,000
110 Administration	1.0	63,000	16,000	7,000	2,000	39,000	127,000
135 Special Commitment Center						1,000	1,000
150 Information System Services Division	0.5	33,000	9,000	205,000	2,000	(249,000)	-
Total	1.5	96,000	25,000	212,000	4,000	-	337,000

	FTE	A	B	E	J	TZ	TOTAL
FY09							
010 Children and Family Services						51,000	51,000
020 Juvenile Rehabilitation						10,000	10,000
030 Mental Health						10,000	10,000
040 Developmental Disabilities						9,000	9,000
050 Aging and Adult Services						11,000	11,000
060 Economic Services						112,000	112,000
070 Alcohol and Substance Abuse						-	-
080 Medical Assistance						2,000	2,000
100 Vocational Rehabilitation						3,000	3,000
100-1 Deaf & Hard of Hearing						1,000	1,000
110 Administration	1.0	63,000	16,000	1,590,000	2,000	39,000	1,710,000
135 Special Commitment Center						1,000	1,000
150 Information System Services Division	0.5	33,000	9,000	205,000	2,000	(249,000)	-
Total	1.5	96,000	25,000	1,795,000	4,000	-	1,920,000

	FTE	A	B	E	J	TZ	TOTAL
TOTAL							
010 Children and Family Services	-	-	-	-	-	102,000	102,000
020 Juvenile Rehabilitation	-	-	-	-	-	20,000	20,000
030 Mental Health	-	-	-	-	-	20,000	20,000
040 Developmental Disabilities	-	-	-	-	-	18,000	18,000
050 Aging and Adult Services	-	-	-	-	-	22,000	22,000
060 Economic Services	-	-	-	-	-	224,000	224,000
070 Alcohol and Substance Abuse	-	-	-	-	-	-	-
080 Medical Assistance	-	-	-	-	-	4,000	4,000
100 Vocational Rehabilitation	-	-	-	-	-	6,000	6,000
100-1 Deaf & Hard of Hearing	-	-	-	-	-	2,000	2,000
110 Administration	1.0	126,000	32,000	1,597,000	4,000	78,000	1,837,000
135 Special Commitment Center	-	-	-	-	-	2,000	2,000
150 Information System Services Division	0.5	66,000	18,000	410,000	4,000	(498,000)	-
Total	1.5	192,000	50,000	2,007,000	8,000	-	2,257,000

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OB-2 Rehabilitation Summary

STAFF	FTE'S	COSTS PER ITEM	TOTAL COST	FY08	FY09	FY10	FY11	TOTAL
Facilities Coordinator	1	\$ 89,000	\$ 89,000	\$ 89,000	\$ 89,000	\$ 89,000	\$ 89,000	\$ 356,000
IT Coordinator	0.5	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 192,000
Total Annual Staffing Estimate			\$ 137,000	\$ 137,000	\$ 137,000	\$ 137,000	\$ 137,000	\$ 548,000

OB2 COSTS

INFRASTRUCTURE& MOVING COSTS

	NUMBER OF ITEMS	COSTS PER ITEM	TOTAL COST	FY08	FY09	FY10	FY11	TOTAL
Voice and Data Expenses								
DIS Costs								
DIS Maintenance Costs for Relocation of Com Room		200,000	200,000	200,000	200,000	200,000	200,000	\$ 800,000
Furniture								
OB2 Core Furniture in support of Office of the Future	1	200,000	200,000	-	200,000	-	-	\$ 200,000
Refurbish Panels	200	800	160,000	-	64,000	96,000	-	\$ 160,000
Furniture Moves								
Furniture Tear Down	1,000	100	100,000	-	40,000	60,000	0	\$ 100,000
Furniture Set Up	1,000	250	250,000	-	100,000	150,000	-	\$ 250,000
Movement of Panels	1,000	150	150,000	-	60,000	90,000	-	\$ 150,000
Staff Moving Costs								
Moving Vendor	1,600	300	480,000	-	192,000	288,000	-	\$ 480,000
CONTINGENCY								
		10%		-	86,000	88,000	-	\$ 174,000
Subtotal: Total Project Estimate			1,540,000	200,000	942,000	972,000	200,000	\$ 2,314,000

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OB-2 Rehabilitation Summary
TEMPORARY SPACE COSTS
INFRASTRUCTURE & MOVING COSTS

	NUMBER OF ITEMS	COSTS PER ITEM	TOTAL COST	FY08	FY09	FY10	FY11	TOTAL
Voice and Data Expenses								
Premise Wiring	200	450	90,000	-	90,000	-	-	\$ 90,000
Telephone System	1	50,000	50,000	-	50,000	-	-	\$ 50,000
Telephone Sets	100	350	35,000	-	35,000	-	-	\$ 35,000
LAN Room Equipment								
LAN Rooms Complete	1	120,000	120,000	-	120,000	-	-	\$ 120,000
HVAC Consultation								
HVAC Consultant Fees	1	10,000	10,000	-	10,000	-	-	\$ 10,000
Furniture								
Office Furniture	3	4,500	13,500	-	14,000	-	-	\$ 14,000
Meeting Room Furniture	4	550	2,200	-	2,000	-	-	\$ 2,000
Furniture Moves								
Furniture Tear Down	100	100	10,000	-	-	-	10,000	\$ 10,000
Furniture Set Up	100	250	25,000	-	25,000	-	-	\$ 25,000
Movement of Panels	100	150	15,000	-	-	15,000	-	\$ 15,000
Security System								
Security System Equipment	1	20,000	20,000	-	20,000	-	-	\$ 20,000
Moving Costs								
Moving Vendor	200	300	60,000	-	30,000	-	30,000	\$ 60,000
CONTINGENCY								
		10%		-	40,000	2,000	4,000	\$ 46,000
Subtotal: Temporary Cost Estimate			450,700	-	436,000	17,000	44,000	\$ 497,000
TEMPORARY LEASE & BLDG. OPERATING COSTS								
	ESTIMATED SQ FT	COST PER SQ FT	TOTAL COST	FY08	FY09	FY10	FY11	TOTAL
Annual Lease Costs	20,000.00	\$ 27.00	\$ 540,000	\$ -	\$ 405,000	\$ 540,000	\$ 270,000	\$ 1,215,000
GRAND TOTAL			\$	337,000	\$ 1,920,000	\$ 1,666,000	\$ 651,000	\$ 4,574,000

07-09 Biennium \$ 2,257,000
 09-11 Biennium \$ 2,317,000
 Total Request Over 4 Years \$ 4,574,000

Assumptions:
 Due to phased relocation, all staff will be relocated 2 times.
 Temporary LAN Room includes: equipment, HVAC, and Set-up

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OB-2 REHABILITATION SUMMARY OF STAFF COSTS

	FY 08	FY 09	TOTAL
FTE			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	1.0	1.0	1.0
TOTAL	1.0	1.0	1.0
SALARY			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	63,000	63,000	126,000
TOTAL	63,000	63,000	126,000
BENEFITS			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	16,000	16,000	32,000
TOTAL	16,000	16,000	32,000
GOODS AND SERVICES			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	7,000	7,000	14,000
TOTAL	7,000	7,000	14,000
EQUIPMENT			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	2,000	2,000	4,000
TOTAL	2,000	2,000	4,000
ISSD-TZ			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	1,000	1,000	2,000
TOTAL	1,000	1,000	2,000
TOTAL			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	89,000	89,000	178,000
TOTAL	89,000	89,000	178,000
STATE			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	57,000	57,000	114,000
TOTAL	57,000	57,000	114,000
FEDERAL			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	32,000	32,000	64,000
TOTAL	32,000	32,000	64,000
TOTAL			
Facilities Service Coord 2	-	-	-
Facilities Project Manager	89,000	89,000	178,000
TOTAL	89,000	89,000	178,000

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ISSD Costs

	Staff Costs	Relocation Equipment /Install	Ongoing DIS	LAN Room Equipment	Total
FY2008					
FTE	0.5				0.5
A Salaries	33,000				33,000
B Benefits	9,000				9,000
E Goods & Services	4,000		200,000		204,000
J Equipment	2,000			-	2,000
TZ Recoveries	(48,000)	-	(200,000)	-	(248,000)
Total	-	-	-	-	-

FY2009					
FTE	0.5				0.5
A Salaries	33,000				33,000
B Benefits	9,000				9,000
E Goods & Services	4,000		200,000		204,000
J Equipment	2,000			-	2,000
TZ Recoveries	(48,000)	-	(200,000)	-	(248,000)
Total	-	-	-	-	-

	FY2008	FY2009
Program TZ Distribution		
010 Children and Family Services	51,000	51,000
020 Juvenile Rehabilitation	10,000	10,000
030 Mental Health	10,000	10,000
040 Developmental Disabilities	9,000	9,000
050 Aging and Adult Services	11,000	11,000
060 Economic Services	112,000	112,000
070 Alcohol and Substance Abuse	-	-
080 Medical Assistance	2,000	2,000
100 Vocational Rehabilitation	3,000	3,000
100-1 Deaf & Hard of Hearing	1,000	1,000
110 Administration	38,000	38,000
135 Special Commitment Center	1,000	1,000
150 Information System Services Division	-	-
Total	248,000	248,000

	Enclosure Distribution	ISSD Enterprise Distribution	Total Cost Distribution
010 Children and Family Services	11.98%	8.77%	20.75%
020 Juvenile Rehabilitation	3.11%	1.10%	4.21%
030 Mental Health	3.11%	0.91%	4.02%
040 Developmental Disabilities	1.56%	1.92%	3.48%
050 Aging and Adult Services	1.56%	2.81%	4.37%
060 Economic Services	19.26%	25.93%	45.19%
070 Alcohol and Substance Abuse	0.00%	0.11%	0.11%
080 Medical Assistance	0.00%	0.93%	0.93%
100 Vocational Rehabilitation	0.00%	1.02%	1.02%
100-1 Deaf & Hard of Hearing	0.31%	0.00%	0.31%
110 Administration	12.45%	2.93%	15.38%
135 Special Commitment Center	0.00%	0.23%	0.23%
150 Information System Services Division	46.66%	(46.66%)	0.00%
Total	100.00%	0.00%	100.00%